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President:	Mr. Parham	(United Kingdom of Great Britain and Northern Ireland)
Members:	Argentina	Mr. Oyarzábal
	Australia	Mr. Stojanovski
	Azerbaijan	Mr. Sharifov
	China	Mr. Hong Ming
	France	Ms. Jaraud-Darnault
	Guatemala	Ms. Leiva Roesch
	Luxembourg	Mr. Flies
	Morocco	Mr. Taib
	Pakistan	Mr. Farooq
	Republic of Korea	Mr. Sul Kyung-hoon
	Russian Federation	Mr. Piminov
	Rwanda	Mr. Nibishaka
	Togo	Mr. M'Beou
	United States of America	Ms. Orbach

Agenda

Maintenance of international peace and security

Conflict prevention and natural resources

Letter dated 6 June 2013 from the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations addressed to the Secretary-General (S/2013/334)

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The meeting was resumed at 3.05 p.m.

The President: I wish to remind all speakers to limit their statements to no more than four minutes in order to enable the Council to carry out its work expeditiously. Delegations with lengthy statements are kindly requested to circulate their texts in writing and to deliver a condensed version when speaking in the Chamber.

I now give the floor to the representative of New Zealand.

Mr. McLay (New Zealand): New Zealand joins those who have expressed outrage and sorrow at this morning's attack on the United Nations compound in Mogadishu, and offers its condolences to all who have been affected. It seems yet again that we are faced with a situation where, in determining their targets, Al-Qaida and Al-Shabaab have no scruples and recognize no boundaries.

In its April presidential statement adopted under the Rwandan presidency (S/2013/PRST/4), the Council identified the risk of natural resources becoming a root cause of conflict in Africa. New Zealand considers this to be a global issue. Even in our own Pacific region, competition for resources has been a driver of conflict, so we believe that the Council must consider this issue in a wider context. We welcome the United Kingdom's initiative to convene this meeting, and regret that it was not possible for the Council to issue a formal statement on the issue.

Extractive industries are often the last to cease operations during hostilities and among the first to return, and they are particularly tempting targets for non-State actors. Natural resources can incentivize peace spoilers. The natural resource dimension is a major challenge for international policymakers, but also presents opportunities to develop better Council tools for conflict prevention, and to improve its mandates to assist States emerging from conflict.

We agree others who have stressed that the Council should not assume exclusive competence to deal with these issues. In our view, the combined effort of the whole United Nations system is required, so it is especially important that the Council adapt its methods to enable engagement with other appropriate organs. Similarly, interaction between the Council and relevant regional and subregional organizations must be improved to ensure better management of resource-driven conflicts. Supply chains and intraregional trade are often a key element of resource-fuelled conflicts, which makes meaningful interaction with the relevant regional and subregional organizations of crucial importance.

But the fact remains that only the Security Council has the competence and the essential and effective tools to deal with resource dimensions of conflict — specifically, targeted sanctions and peacekeeping missions. Well-targeted sanctions are very effective instruments for restricting the exploitation of natural resources, which are often used to fund armed conflict, and can be a useful tool to restrict funding for resource-related conflicts. Asset freezes and travel bans can deter spoilers. Sanctions can also support efforts to seek the post-conflict recovery of funds from illegal asset exploitation. And we support the call to improve information-sharing between sanctions panels and groups of experts, which, whenever applicable, should include cooperation with relevant peacekeeping missions.

Peacekeeping missions and special political missions in conflict situations with a resource dimension should be specifically mandated to assist national efforts and boost institutions that can reduce the risk of future resource-driven conflict, which means that particular attention to resource regulation and the rule of law.

New Zealand also draws attention to the potential for civil society and resource firms to play a positive role. In recent times, civil society has successfully highlighted the link between resource exploitation and conflict, and we are encouraged by voluntary, industry efforts to self-regulate through mechanisms such as the Extractive Industries Transparency Initiative.

We also believe that the Council must pay more attention to the need for national ownership. The work of panels of experts and other United Nations activities in affected states must support and enhance national capacities. In short, New Zealand supports effective action by the Council, in partnership with others, and the use of its undoubted powers to address this important issue.

Mr. Rishchynski (Canada): Let me start by adding Canada's voice in deploring the events today in Somalia. Terrorism has once again struck, seeking to deny Somalis the right to move forward in their future and making the United Nations a target for the work that it undertakes on behalf of its members and all Somalis.

I would like to commend you, Sir, for refocusing the Security Council's attention on conflict prevention and natural resources by organizing this debate. Canada welcomes a fulsome discussion of the role of effective natural resources management in conflict prevention. Without sound management, extractive sector development can lead to increased corruption, poor development outcomes, illicit trafficking and, in certain circumstances, the fuelling of armed conflict and human rights violations. There is an increased international acknowledgement that economic growth is fundamental to long-term stability in fragile and conflict-affected States. Benefits from extractive sector activities have the potential to transform economies and can be important drivers of sustainable economic growth and job creation.

(*spoke in French*)

Supporting mechanisms that ensure responsible resource development is a priority for the Government of Canada. We understand the potential benefits of natural resources for a country. One important element of sustainable resource development, highlighted by the United Kingdom at this year's Lough Erne Summit of the Group of Eight, is transparency and accountability in the extractive sector.

In recognition of the importance of that issue, on June 12 Canada's Prime Minister announced that Canada will be establish new mandatory reporting standards for Canadian extractive companies. The new reporting regime will improve transparency, ensure that Canada's framework is consistent with existing international standards, ensure a level playing field for companies, enhance investment certainty, and help reinforce the integrity of extractive companies.

While we recognize the need for transparency initiatives, we also want to ensure that the debate today and discussions that follow also identify other tools available to strengthen the links between natural resource development and conflict-prevention. As an example, by encouraging conflict-sensitive business practices in fragile and conflict-affected situations, donor Governments can sensitize their extractive companies to local conflict dynamics, and help them find ways to structure their operations to contribute to positive peacebuilding and development outcomes.

To advance such tools, it is essential that all the right actors be at the table, including communities, civil society and the private sector. It is also important to address core sources of instability, such as by providing employment opportunities for youth and bolstering Government finances for basic service provision.

Canada's commitment to promoting responsible natural resource governance features prominently in our efforts abroad. To cite several examples, we are continuing to implement Canada's corporate social responsibility strategy and support many international initiatives, such as the Extractive Industries Transparency Initiative, the United Nations Guiding Principles on Business and Human Rights, the Kimberley Process certification scheme, the Organization for Economic Cooperation and Development multi-stakeholder forum on implementing due diligence, and others. The recent establishment of the new Canadian International Institute for Extractive Industries and Development will encourage policy innovation on how Governments, companies and others can contribute to improving development outcomes in the future.

The evidence is clear that responsible governance practices ensure that natural resources contribute to lasting, positive impact on economic growth and poverty reduction. As such, Canada welcomes the inclusion of these issues in relevant mission mandates. United Nations missions can play an important role by helping to build national institutions, manage related conflict risks, and ensure inclusive participation.

(*spoke in English*)

For that reason, we are very pleased that the Security Council is renewing its consideration of this very timely subject, and we are committed to working with the international community and all partners to encourage responsible natural resource development.

The President: I give the floor to the representative of Turkey.

Mr. Çevik (Turkey): I too would like to begin my statement by strongly condemning the heinous and cowardly terrorist on the United Nations compound in Mogadishu. We extend our heartfelt condolences to the families of the victims, and wish a speedy recovery to the wounded.

I would also like to express our appreciation to the United Kingdom for bringing this important issue to the Security Council's agenda six years after it was last discussed. I would also like to thank the Deputy Secretary General, Mr. Eliasson and Africa Progress Panel Chair Mr. Annan, as well as the representatives

of the World Bank and the United Nations Development Programme for their briefings and the important information they have provided us.

The blessing-and-curse dichotomy of natural resources is evident. Some countries are among the richest in the world due to their natural resources, while many others that are rich in such resources are the poorest in the world. In fact, four of the five countries that are considered to be the poorest in the world possess a wealth of natural resources, including oil, gas, gold, uranium, titanium, diamonds, copper, silver and coltan.

There is an undeniable link between natural resources and conflicts. In some conflicts, parties fight to gain control over such resources; in others, they use the profits gained from these resources to continue fighting. There is even a correlation between the illegal extraction of natural resources and incidences of sexual violence, which is very concerning. Turkey also strongly condemns the recruitment of children in the exploitation and extraction of natural resources in armed conflict.

In order to combat this scourge, all measures should be taken to prevent the illicit trade and illegal exploitation of these resources. Their effective and transparent management would contribute to this end. Therefore, all initiatives that promote transparency and encourage stability play an important role. In addition, effective cooperation between source, transit and destination countries is needed to combat illicit trade. However, the transparent and effective management of such resources is not enough on its own. Good governance, development and stability are equally important, and all of these elements are mutually reinforcing.

The private sector can also make important contributions to our work by helping to develop the extractive industries and generate the resources needed for the development of the countries in question. But in this process they must act with corporate and social responsibility. National Governments should hold their private sector firms accountable for their practices and role in the stability in the host country. Commercial interests should never supersede the interest of the host countries, or especially of its people. Civil society also has an important role to play, which can range from collecting data and assisting countries with their expertise, to monitoring the practices of domestic and foreign actors.

As a key actor in post-conflict settings, the United Nations also has an important role to play in the matters taken up in today's open debate. It can assist post-conflict countries in need in building their capacities in the management of natural resources. Such assistance can take different forms, including helping them to design or strengthen their regulatory structures and relevant national legislation.

However, the institutional capacity of the United Nations also needs to be further developed in this area. Furthermore, the United Nations' entities and their efforts must be well coordinated, and take an integrated and multi-dimensional approach. In this context, the Peacebuilding Commission is well placed not only to coordinate efforts, but also to provide the necessary guidance and resources at its disposal.

We believe that during the Council's future deliberations on conflict and post-conflict situations, the natural resource dimension should also be taken into account, where necessary. We should never lose sight of the fact that the resources below the ground belong to those who live over that ground. No party should attempt to unjustly exploit or illegally seize the resources of another. In addition, as is often stated, natural resources alone are not the source for conflict. In this regard, confronting the root causes of conflict, addressing the other factors that fuel conflict, and preventing and peacefully resolving conflicts with such instruments as mediation is of paramount importance.

The President: I now give the floor to the representative of Ethiopia.

Mr. Alemu (Ethiopia): I wish to congratulate you, Sir, on having organized this open debate on a very important issue. Naturally, we express our indignation at what happened in Mogadishu today.

The concept paper on the theme of the debate (S/2013/334, annex) is, in general, both comprehensive and very helpful. Of course, we approach the theme from an African perspective, among others, because it has been primary Africa that has been on the receiving end of so much greed and shenanigans often, but not always, associated with the exploitation of natural resources, most particularly evident in extractive industries. The British Government should be commended for its Extractive Industries Transparency Initiative.

The concept paper rightly indicates that extractive industries are never the sole source of conflict. In fact,

one can go further and argue that extractive resources are not or may not be the major source of conflict. The concept paper makes two very apt assumptions. One relates to the many examples of countries that have enjoyed security and stability and, as the concept paper says, impressive economic growth through the effective management of their extractive industries. The second assertion is that countries dependent on extractive industries are vulnerable and susceptible to conflict when they have weak governance and State institutions.

It may not be fair for Africa to always blame others for problems that are at time of its own making, but on the other hand no region of the world has been the subject of so m ch abuse and all sorts of destabilizing activities because of greed focusing on the continent's natural resources. Is there a better illustration of this than what has befallen the Democratic Republic of the Congo since the time of Patrice Lumumba?

I am proposing that, while all of the suggestions made in the concept paper to ensure transparency and accountability in this domain are valid and very helpful, what would be yet more effective at the end of the day would be what is done at the country level to strengthen State institutions and democratic governance, as the concept paper indicates. It is only by such actions that the ownership by the people concerned can be realized, without which no amount of work by the outside world can be fully effective in ensuring that extractive industries are not a cause of conflict. Even then, given the fact that natural resources generate income, the possibility of corruption and officials or their foreign partners being tempted to seek to underhandedly gain undeserved advantage may not be entirely avoided.

But there is perhaps no better solution than appropriate internal democratic mechanisms for ensuring vigilance and monitoring. In other words, what is critical is what is done at the country level in connection with good and democratic governance, which allows space for grass-roots participation and control. In fact, external initiatives that are too intrusive may be seen as seeking to deprive rightful ownership by resorting to a variety of methods.

Before I conclude, I should mention the fact that this debate in our view would have been far more useful if the theme had been broadened and not limited to the extractive sector because the lack of careful, balanced, fair and just use of natural resources also has implications for peace and stability, not only within countries but also in inter-State relations. This is perhaps a theme which will have to be tackled in the not-so-distant future.

The President: I now give the floor to the representative of Botswana.

Mr. Ntwaagae (Botswana): My delegation joins in extending our heartfelt condolences to the Government and people of Somalia and to the bereaved families following the terrorist attack on the United Nations compound in Mogadishu this morning.

My delegation sincerely commends the United Kingdom presidency for convening this open debate, which provides us with a unique opportunity to continue to exchange views on this important agenda item. We welcome in particular the concept paper (S/2013/334, annex), which clearly outlines the correlation between conflict and natural resources.

We also thank the Deputy Secretary-General, Mr. Jan Eliasson; the Chair of the Africa Progress Panel, Mr. Kofi Annan; the World Bank Managing Director, Ms. Carolyn Anstey; and the United Nations Development Programme representative, Ms. Rebeca Grynspan, for their very insightful contributions.

I wish to begin by reaffirming the importance that Botswana attaches to the principles of the Charter of the United Nations. In this regard, we fully support the primary responsibility of the Security Council to maintain international peace and security.

The issue under discussion today is not new to the Security Council. We all know why natural resources often cause conflicts. While there are various forms of natural resource conflicts, there are also a few underlying common causes. Greed and corruption driven by the self-interest of governing elites are in most cases the primary motivation. There is ample evidence that predatory governance leads to the chronic mismanagement of natural resources, which is often accompanied by disproportionate investment in military expenditures for the purposes of suppressing the population.

The mismanagement of natural resources goes hand in hand with societal warfare. Every society that feels neglected by governing elites is susceptible to violent conflict. That is because poor economic performance constitutes the breeding ground for rebellion. There are also instances where spoilers promote the illegal exploitation of natural resources, despite the best

intentions of legitimate Governments to equitably share economic resources, some of those spoilers going so far as to promote secession in order to maintain control over natural resource-endowed areas in their countries.

We believe that the Security Council is uniquely placed to play a leading role in the prevention of conflict. Just as we support the concept of doing more with less in the United Nations system, we are also in favour of a paradigm shift in the business of the Security Council. Rather than being crisis-driven, the Council should invest in the prevention of conflict by aggressively pursuing the use of early-warning systems. Any scan of the horizon that yields the suggestion of an environment conducive to conflict should be met with the Council's unwavering resolve to deploy preventive tools, such as fact-finding missions. Existing regional structures can also come in handy in that regard.

Where there is evidence of a smouldering situation, a panel of high-level mediators should be deployed to stop the situation before it develops into conflict. My delegation believes that prevention is more cost-effective than peacekeeping. The cost of human suffering resulting from conflicts rooted in natural resources cannot be ignored, nor can resource requirements for peacekeeping operations.

Botswana has avoided the so-called resource curse thanks to the country's prudent and visionary leadership. We are in a position to offer valuable lessons on the sound management of natural resources. We are very humbled by the frequent mention of our country by a number of the delegations that took the floor before me.

Botswana graduated to middle-income status from being a least developed country at the time of its independence mainly because of the investment of the revenue from natural resources in various sectors of the economy, such as education, health and infrastructure development, to mention but a few. That is because mineral rights in Botswana were vested in the State. That arrangement has guaranteed stability, openness and transparency and promoted a responsible policy regime for the management of natural resources, one that is free of corruption and political interference. Theat arrangement also ensures that there is an equitable distribution of the proceeds from the exploitation of the country's natural resource base. Furthermore, to that end, we remain firmly committed to the Kimberley Process and the Extractive Industries Transparency Initiative.

In conclusion, we call on the international community to scale up its cooperation assistance to strengthen institutions that promote good governance and the rule of law. We believe that such an approach can go a long way towards impeding the development of breeding grounds for conflict.

Lastly, there should be periodic review of existing multilateral mechanisms that facilitate the prevention of conflict associated with natural resources, which is necessary for the required flexibility to adapt to evolving challenges.

The President: I now give the floor to the representative of the Plurinational State of Bolivia.

Mr. Llorentty Soliz (Plurinational State of Bolivia) (*spoke in Spanish*): First of all, Bolivia wishes to express its condolences to the families of the victims of today's attack in Mogadishu. We regret that the international community has still not been able to halt the vicious cycle of violence that we see in various areas of the globe.

While I was on my way to the United Nations to attend this debate convened by the President of the Security Council, I was chatting with a Latin American colleague on the Chaco War, an armed conflict that played out in the past century between two of the poorest countries in South America. That war was promoted by two multinational oil companies that were fighting over the natural resources in that part of the world. That very painful example from my region goes straight to the heart of what must be stated very clearly in today's debate, namely, that the history of the majority of armed conflicts is the history of invasions and the appropriation of natural resources.

The approach that we have heard about today and read about in the President's concept note (S/2013/334, annex) cannot, from our point of view, be described as anything other than interventionist, meddling and a violation of the sovereignty of States. Matters concerning the regulation, use, control over and access to natural resources, whether they be renewable or not, are subjects that fall exclusively within the prerogative of States. Furthermore, issues pertaining to sustainable development, transparency and the fight against corruption are subjects within the purview of the

General Assembly, the Economic and Social Council and other agencies and bodies of the United Nations.

We are concerned at what is concealed under certain words. In connection with the topic, we hear such terms and phrases as "good governance", "transparency", "conflict prevention", "effective management of natural resources" and "sound regulation of the extractive sectors". We are concerned because many of the warlike interventions promoted by some permanent members of the Security Council have been carried out using such lofty language.

For some time now, we have been aware that wars orchestrated under the slogan of freedom have meant that raw materials were at stake; when we hear "democracy", that means oil; and when we hear "human rights", that means consumer markets and cheap labour. If there is any doubt, let us ask ourselves what happened and what were the reasons, or excuses, for the wars in Iraq and, more recently, in Libya.

We are witnessing a process that seeks to refine argumentative structures and intervention mechanisms. What other explanation is there for claims regarding the degree of "susceptibility to conflict" of countries that are "dependent on extractive industries"? On the basis of that so-called susceptibility, an attempt is being made to intervene in the design or the redesign of the architecture of our institutions and legal systems on the pretext of preventing conflicts, including the supposed establishment of sanctions through committees and groups of experts.

In truth, that is all an inadmissible form of interventionism; it is in fact a more refined form of colonialism that violates, as I have said, the sovereignty of States, and distorts the concept of international cooperation and jeopardizes peace.

We therefore ask whether we are going to be considered "susceptible to conflicts" when we exert our sovereign right to recover our strategic resources from the hands of multinational companies. Will we be considered "susceptible" when we nationalize our strategic resources? If we are talking about conflict prevention, I trust that the Council will for once be able to look at the role of multinationals in armed conflict. There is an essential and urgent need — I say it again in this Chamber — for reforming the very structure of the Security Council, just as the United Nations itself must be reformed. Its structure, as we have said thousands of times, does not meet the needs of today's world, and control is still in the hands of a few, violating the principles of democracy and equality among States. In more general terms, as my colleague from Argentina has said, what we need is a new world order, a new United Nations, a new economic and financial order that will change production patterns and consumption paradigms, because what we have now is unsustainable. We must combat poverty, malnutrition and hunger, and bring transparency to tax havens. Another issue that merits serious analysis is the concentration of wealth and knowledge in the hands of a few, as well as the lack of technology transfer. Again, they are all sources of poverty and, of course, exclusion.

The President: I now give the floor to the representative of the Netherlands.

Mr. Schaper (Netherlands): Let me begin by expressing my condolences to the Government and people of Somalia and to the families of the victims of this morning's terrible terrorist attack.

I would also like to align myself with the statement made by the observer of the European Union (EU).

In 2025, two-thirds of the world's population will face water scarcity, and 2.4 billion will face absolute water scarcity, to the extent that it may impede, or even reverse, economic and social progress. There are numerous examples where transboundary waters have proved to be a source of cooperation rather than conflict, as is the case in my own country, for instance. However, greater scarcity in the future, owing to economic and population growth, combined with cross-border pollution and climate change, may well alter that dynamic.

The increasing scarcity of water is just one aspect of the relationship between conflict prevention and natural resources. I would therefore like to thank the United Kingdom for putting the relationship between conflict prevention and natural resources on today's agenda. Let me start by briefly reviewing three events of the past week, which I believe are all relevant to our debate today.

Last Monday, the International Energy Agency presented its latest report, entitled "Redrawing the Energy-Climate Map", which shows that the path we are currently on is likely to result in a temperature increase of between 3.6 and 5.3°C, far above the maximum of 2°C we had agreed on.

The second relevant event was last Wednesday. The European Parliament approved the new EU Accounting and Transparency Obligations Directives, which include financial transparency requirements for the extractive and forestry sector.

Thirdly, Friday saw the publication of the United Nations report *World Population Prospects, the 2012 Revision*. The report projects that the current world population of 7.2 billion will reach 9.6 billion by 2050. The resulting increase in consumption will put even greater pressure on natural resources.

In October, the World Resources Forum organized a conference in Beijing that focused on the need for better international resource governance, which leads to greater stability and lower prices. The Netherlands was among those countries that proposed considering the establishment of a neutral international forum on resources, particularly metals and minerals, comparable to the already existing International Energy Forum. Such a forum should involve countries that produce, trade or consume resources.

In March, the Netherlands hosted the annual meeting of the participants in the Voluntary Principles on Security and Human Rights initiative in the extractive industries. In that multi-stakeholder initiative we engaged in a dialogue on security and human rights. Together we have developed a set of voluntary principles to guide companies in maintaining the safety and security of their operations within an operating framework that ensures respect for human rights and fundamental freedoms. As stated by the United Kingdom in its concept note for this debate (S/2013/334, annex), the Ruggie Guiding Principles on Business and Human Rights have provided a common framework since their endorsement by the Human Rights Council in 2011. The Netherlands is fully committed to their integral implementation.

Let me end by citing a practical example of a contribution the Netherlands has made to preventing conflicts related to natural resources. The armed conflicts in the mineral-rich eastern provinces of the Democratic Republic of the Congo have often been described in their relation to income from the illicit trade in minerals. To contribute to the shared goal of regulating the flow of conflict minerals, with the aim of preventing further armed conflict, the Netherlands has created a conflict-free tin-supply chain. That pilot initiative was launched in October and has already resulted in the first exports of conflict-free tin. The Netherlands Development Cooperation financed a local non-governmental organization (NGO), Pact, which tags and traces the tin ore. Dutch diplomats served as neutral brokers to bring the whole international supply chain together, from mining cooperatives in a validated conflict-free mine in the eastern part of the Democratic Republic of the Congo, to exporters, to a Malaysian smelter — because there are no tin smelters in Africa — and to companies such as Philips, Tata Steel, Motorola Solutions, Nokia and FairPhone. Those exports have led to the first certified conflict-free earnings from tin exports in the Democratic Republic of the Congo.

That initiative builds on the expertise and skills of many organizations. It involves a multi-stakeholder approach in which the Government of the Democratic Republic of the Congo, NGOs, the Tin Research Institute in London, Germany's Geological Service and the United States Agency for International Development were also involved. It is just one example of what is possible, and more is needed. The debate here today will help us to build on such initiatives. It should promote further cooperation, resulting in an all-inclusive process at all stages of the value chain of natural resources, thereby contributing to preventing conflicts and improving livelihoods in resource-rich countries.

The President: I now give the floor to the representative of Nigeria.

Mrs. Ogwu (Nigeria): We condemn unequivocally the attack on the United Nations compound in Mogadishu this morning and offer our condolences to the families of the victims.

We appreciate your initiative, Mr. President, in organizing this seminal debate designed to establish the link between the transparent and effective management of extractive industries and conflict prevention. I thank you very much for the concept note, which has provided a compass for our discussion today (S/2013/334, annex).

I would like to express my appreciation to Deputy Secretary-General Jan Eliasson, World Bank Managing Director Caroline Anstey, Under-Secretary-General Rebeca Grynspan and the Chair of the Africa Progress Panel, Mr. Kofi Annan, for their informative briefings.

There is no doubt that natural resources and their exploitation have been a contributing factor to tensions

and conflicts both within and between States. In recent years, while inter-State conflict over natural resources has been managed relatively well through appropriate mediation and adjudication, the struggle over domestic natural resources has been the source of brutal conflicts and civil wars in some parts of the world.

In discharging its remit to maintain international peace and security, it is only appropriate that the Security Council should focus on the exploitation of natural resources as one of the root causes of conflict. While such resources can present opportunities for enhanced economic growth and sustainable development, in many cases they have provided the fuel for conflict instead. It is therefore imperative that natural resources be managed responsibly, for the benefit of the population, in order to prevent conflict. Such a good-governance approach should be aimed at promoting human security and economic development. It should also establish a nexus between human security and development. It is the inherent responsibility of Government to ensure the protection and survival of the constitutional order by creating the conditions necessary for human security. This implies that the equitable distribution of the returns from natural resources would provide health care and education, promote poverty alleviation and reinforce efforts towards development, as well as eliminate sources of tension and disaffection from society.

We believe that States facing difficulty in the management of their natural resources should invest greater effort in strengthening the rule of law, especially in its enforcement, in order to contain the illicit exploitation of natural resources. In Nigeria, the tensions in the oil-rich Niger delta were exacerbated by the illicit foreign-driven exploitation of the region's natural resources, oil theft, illegal bunkers, illegal fishing and the attendant degradation of the environment. That anomalous situation could have plunged the region into crisis if the Federal Government had not taken major steps to ameliorate the problem. Though the Government has taken steps to ease the tension, the situation has been exacerbated by illicit domestic and external activities, leading to the loss of about 150,000 barrels of crude oil per day.

A more significant and no less devastating aspect of the illegal exploitation of natural resources in conflict situations is its impact on the environment and its distortion of the livelihoods of the people in the affected communities. Good governance must establish linkages between natural-resource exploitation, environmental degradation and poverty, and in so doing take the steps necessary to ensure compliance with international safety and environmental standards.

Today, we are not unmindful of the multifaceted nature of conflicts. The natural-resource dimension that we are addressing in this forum appears to be the touchstone. I believe that we must take a long-term strategic view of this dimension of conflict in order to secure a more peaceful future.

The President: I now give the floor to the representative of Qatar.

Mr. Al-Thani (Qatar) (*spoke in Arabic*): I would like to congratulate you, Sir, on your assumption of the presidency of the Security Council during this busy month. We are confident that you are up to this task and will lead the work of the Council towards useful results.

Allow me at the outset to extend, on behalf of the Government of the State of Qatar, condolences to the victims of the attack on the United Nations compound in Mogadishu today, while expressing the solidarity of the Government of the State of Qatar with the Federal Government of Somalia and stressing the importance of ensuring the safety of United Nations personnel and missions.

When the Council held the previous meeting on the issue of natural resources and conflict in 2007 (see S/PV.5705), the State of Qatar — which was then a member of the Council — joined the consensus on holding an open debate on this topic and on the presidential statement adopted at that time (S/PRST/2007/22). However, at that meeting we affirmed a number of principles that we would like to reaffirm today.

International conventions emphasize the right of States to permanent sovereignty over and exploitation of their natural resources, and that one of the pillars of the economic and political independence of any State is the full enjoyment of the right to exercise full sovereignty over its natural wealth and resources and to dispose of them according to its national interests. This is consistent with the Charter of the United Nations and is provided for in the International Covenant on Economic, Social and Cultural Rights of 1966; the International Covenant on Civil and Political Rights of 1966; various General Assembly resolutions, including resolution 1803 (XVII), of 14 December 1962, entitled

"Permanent sovereignty over natural resources"; and in the Charter of Economic Rights and Duties of States annexed to General Assembly resolution 3281 (XXIX), of 12 December 1974. We also underline that international law obliges occupying Powers not to exploit or harm the natural resources in occupied territories.

Ambiguity about the link between natural resources and conflicts must be clarified. The presence of natural resources such as extractive materials is not per se a source or cause of, or an environment conducive to, the outbreak of conflict, threats to international peace and security, or the spread of corruption and human rights violations. It is true that various studies and reports on the causes of conflict in Africa and elsewhere describe a wide range of causes of conflict, where mentions of natural resources often recur. But that does not mean that natural resources are the cause. On the contrary, there are various reasons for corruption and conflicts that feed on natural resources: from social and political injustice to the accumulated results of the colonialism era, to the illegal exploitation of natural resources of the countries under occupation, to foreign ambitions and regional variables, to the lack of exploitation of natural resources for development, as well as other factors that must be recognized and addressed.

We agree that addressing the root causes of conflict is important and that the good management of natural resources is important too. It is clear from our concrete experience that natural resources can be a boon to the countries that enjoy them if they are harnessed the right way to drive economic growth, progress, development and job creation, to develop indicators of social, cultural and human development and human rights, to support good governance, reinforce the rule of law and the fight against corruption, to strengthen political and economic stability, and to improve the livelihoods and well-being of citizens.

Because of the importance of the issue of non-renewable natural resources, we feel that a debate on it should be undertaken in the appropriate international forums, such as the General Assembly, the Economic and Social Council and the Peacebuilding Commission, as part of the development and peacebuilding agenda of the United Nations, in order to assist countries, particularly those affected by conflict, in the establishment of effective and transparent institutions and the optimal management of their natural resources for their benefit. Here we would note that any assistance provided in that regard must be at the request of the legitimate concerned Government.

In our view, the way the Security Council should address this issue must naturally be in accordance with its mandate and authority, that is, within the context of its country-specific work and on a case-by-case basis in countries experiencing armed conflict and in post-conflict situations that pose a threat to international peace and security. The Security Council is undoubtedly taking important measures to prevent the escalation of conflicts linked to natural resources, such as through the sanctions imposed in many cases on the illegal exploitation of some of those resources to fund conflicts. Those measures should continue to be studied so as to increase their effectiveness and impact and to avoid any shortcomings.

The President: I now give the floor to the representative of Armenia.

Mr. Nazarian (Armenia): We would like to join previous speakers in offering our condolences on the tragedy that took place in Somalia today. Armenia condemns the massive attack on the United Nations compound in Mogadishu, which resulted in dozens of casualties among the United Nations Assistance Mission in Somalia staff and security personnel. Our prayers go out to the families of the victims, the United Nations and the Government of Somalia.

I wish to express my appreciation to you, Mr. President, for having convened this open debate and thank the Deputy Secretary-General, as well as the World Bank Managing Director and the Chair of the Africa Progress Panel, for their contributions.

United Nations bodies and the Security Council in particular are uniquely placed to promote global policy development so as to address the linkages between natural resources and conflict. Along with other development partners, including the Bretton Woods institutions, the Council can effectively contribute to the post-conflict peacebuilding efforts to integrate the peace and development agenda in the context of the governance and management of natural resources.

The role of natural resources in fuelling conflicts and prolonging their political resolution is being increasingly recognized in strategies for conflict prevention and peacebuilding. International experience shows that a multidimensional approach is required to reduce the linkages between instability and conflict

in mineral-rich countries and regions through the deployment of a wide range of security and development initiatives. In the volatile region of the South Caucasus, we have yet to fully employ an essential resource that could bring us closer to peace, sustainable economic development and the creation of regional opportunities for trade and investment in jobs that could lead to the engagement in solutions on the political front. A good starting point is to take current policy tools and analyse how the countries in our region address natural resources. A coordinated effort to mainstream transparent, efficient and equitable Governments and the management of natural resources to develop policies and conflict-prevention strategies is rather essential.

The mechanisms whereby natural resources induce or prolong conflicts are often deeply rooted in economic and social structures and call for integrated approaches in addressing peace and development. Good governance and management of natural resources are the core tools for conflict prevention.

The high dependency on natural resources without proper and fair management and appropriate policies is creating social tensions, weakening Government institutions and prolonging the resolution of conflicts, thereby increasing the risk of conflict resumption. Corruption, State weakness and reduced accountability tend to be associated with large revenues from natural resources. It is a well-known fact that corruption emerges as a problem due to the sheer volume of revenue from natural resources.

It is also true that a rich natural-resources base does not necessarily lead to poor economic performance. There are several examples of stable democracies where natural resources have contributed to long-term economic growth and equitable income distribution. Natural resources can significantly contribute to economic development in an appropriate, diversified economic framework.

Today, as Member States are focused on the implementation of the Millennium Development Goals and other internationally agreed development goals, we all have a unique opportunity to develop an inclusive approach to natural resources and development, conflict prevention and peacebuilding, thus integrating the management of natural resources into national sustainable development policies. The successful implementation of this agenda requires a basic level of political will and determination on the part of all stakeholders as a precondition for peacebuilding and supporting peace. With that political condition in place, the ability of the United Nations and any other intergovernmental or regional actor will be enhanced and supported.

Armenia therefore welcomes the United Kingdom initiative to hold this thematic discussion. It is an opportunity to recap and reflect on our experiences in dealing with the issue of conflict prevention and natural resources.

The President: I now give the floor to the representative of Malaysia.

Mr. Abdullah (Malaysia): I wish to express my sincere congratulations to the United Kingdom on its assumption of the presidency of the Security Council for this month. My delegation is also of the view that this debate is timely and will contribute to the development of a better understanding of this important question.

At this juncture, Malaysia joins other nations in condemning the outrageous attacks on the United Nations compound in Somalia today. We extend our deepest condolences in connection with the losses suffered by both Somalia and the United Nations.

The correlation between conflicts and natural resources is not a myth, it is a reality. While some countries have progressed tremendously thanks to natural resources, others are cursed with an abundance of strategic commodities. History has proven that wars have emerged where natural resources are at stake. Malaysia has always been critical of the violence and carnage that have been caused by conflict due to natural resources. Our world is rich in resources, from the lush plain fields that produce crops to the precious minerals that have helped countries develop. It is us who determine if those resources are a boon or a bane.

My delegation believes that the key to the successful mitigation of conflicts caused by natural resources lies in good governance and the responsible management of these resources. Governments are key actors and must be responsible and accountable. In managing resources, Governments are the regulators of mining licences. They are therefore in a position to determine the distribution of wealth from natural resources, which generates the growth of a country.

Malaysia is not oblivious to such challenges. Striking a balance between good governance and maximizing yields, the managing of Malaysia's oil

reserves has been of the utmost importance to its Government. In 1974, we established Petronas as our national oil company. Much of its current success can be attributed to the relevant laws and to the fact that it is an entity that is run as a full-fledged commercial organization. As a State-owned entity, Petronas is responsible for the effective management of Malaysia's oil and gas resources and for ensuring the orderly and sustainable development of the nation's petroleum industry. Governed by its code of conduct and business ethics, Petronas has continued to accommodate developments in local and international laws and practices, as well as technological developments and benchmarks in international standards. The code not only promotes legal and procedural compliance, but also provides a moral compass in guiding its work in the international arena.

There is no doubt that the United Nations has a role to play in providing neutral and impartial advice to countries in need. My delegation is of the view that there are many mechanisms already in place to support such an endeavour. The Peacebuilding Commission is one such instrument. The Commission has been active in supporting countries on its agenda. It has continued to provide the Security Council with advice on pertinent developments in Sierra Leone, Liberia, the Central African Republic, Guinea, Guinea-Bissau and Burundi. Through the Commission, Member States have been able to interact in the field to support national Governments in prioritizing strategies and plans of action, which may include the management of natural resources to prevent a relapse into conflict.

Malaysia also shares the view that the Commission and United Nations country teams have a role to play in developing synergies on conflict prevention. Such synergies can be realized in peacebuilding programmes and the capacity-building of Governments, therefore making them important mechanisms in the monitoring of adherence to commodity schemes. That will serve to support efforts in the prevention of conflict in the relevant countries.

Malaysia also holds the view that the United Nations can play a critical part in the prevention of conflict. However, my delegation would also stress the importance of reaffirming the inherent sovereign rights of States in the exploitation of their resources. Such precepts are deeply seated in the principles of international law and the sovereign rights of Member States in maintaining their territorial integrity.

Malaysia does not dispute the inherent connection between natural resources and the fuelling of conflicts. While good governance and the responsibility and accountability of Governments play the key role in preventing strategic commodities from fuelling conflicts, we, the international community, must also do our part in providing countries with the necessary support to ensure that they do not relapse into conflict.

The President: I now give the floor to the representative of Timor-Leste.

Mrs. Mesquita Borges (Timor-Leste): I would like to join other delegations in condemning the terrible attack on the United Nations compound in Mogadishu. We convey our sympathies to the Government and people of Somalia and the families of the victims.

Allow me also thank you, Mr. President, for convening this open debate and for the opportunity to share my country's experience. We agree with you, Sir, that the effective and transparent management of a country's natural resources can be critical to preventing conflict.

Timor-Leste is a very young nation, and we are proud to be at the forefront of the world's best practices in relation to the management of our natural resources. Much effort has gone into the building of institutional and legal capacity to transparently and effectively manage our extractive industries. Last month, we celebrated the eleventh anniversary of the restoration of independence. The path towards stability and development has been difficult, especially considering the daunting challenge of building a nation from ashes.

Now with a solid foundation of security and stability, there is a strong sense of hope and confidence in Timor-Leste, confidence and aspirations that are stipulated in the strategic development plan for the period 2011 to 2030, which aims to transform the country from a low-income nation to a country with upper-middle income levels by 2030, with a population that is secure, educated and healthy. An important part of the plan includes economic progress and the development of industries that will diversify the economy and drive our prosperity.

Our petroleum industry is critical to economic growth, prosperity and capacity development. Petroleum revenue belongs to the Timorese people. The Government is determined to ensure that any income generated from those resources benefits all the

people, including future generations. That is why the Constitution states that the resources of the soil, the subsoil, the territorial waters and the continental shelf and the exclusive economic zone, which are essential to the economy, shall be owned by the State and shall be used in a fair and equitable manner in accordance with national interests. It is why our Parliament adopted a petroleum fund law that requires taht all petroleum income to be invested in a sovereign wealth fund in accordance with the principle of good governance, for the benefit of current and future generations.

A small portion of the fund is used for the State budget, pursuant to approval by Parliament. That transfer is guided by estimated sustainable income. At this time, that is estimated at 3 per cent, which is the amount that over time can be spent without depleting the petroleum wealth. The governance of the petroleum fund is based on a high degree of transparency and the disclosure of information to help build public support for the wise management of petroleum revenues and to reduce the risk of misappropriation and corruption.

Timor-Leste is very proud to be the first country in Asia, and third country in the world, to comply with the Extractive Industries Transparency Initiative. That means that every dollar of the petroleum revenue is publicly disclosed and matched with the records of the resource companies. The Government has embraced the principles underpinning the Extractive Industries Transparency Initiative and has gone on to develop the world's most successful, comprehensive and transparent online database of publicly available information on budget expenditure, tenders, development partners' contributions and programme implementation.

Timor-Leste's management of its extractive industries resources has been endorsed by the Revenue Watch Institute. This year, we have been ranked 13 out of 58 countries surveyed and ranked above some of our development partners for safeguards and quality control. We are mindful of the resource curves and the need to diversify our economy, and we are aware of the potential for conflict if people feel that they are missing out on the benefits of our petroleum wealth. That is why the petroleum fund is used in such a transparent manner in the budget on infrastructure spending and on the delivery of education and health services.

Timor-Leste is now at a stage where we can give back to the international community, in particular by sharing our experiences and lessons learned. Timor-Leste is the current Chair of the Group of Seven Plus (g7+) fragile post-conflict and conflict-affected nations. The aim of the Group is to provide a united voice for the g7+ countries and to advocate for a different approach to peacebuilding and state-building, anchored in national priorities and ownership of the peacebuilding and development agenda. The g7+ knows from bitter experience that without peace and stability there can be no development and that conflict is development in reverse. As such, a comprehensive approach is needed that addresses the specific challenges and root causes in each particular conflict setting.

I take this opportunity to highlight that no fragile conflict-affected country has achieved a single Millennium Development Goal (MDG) and that, according to the World Bank's 2011 *World Development Report*, conflict can set a country back 30 years in lost domestic product growth.

Insecurity and violence, weak institutions and poverty are interlinked factors that create serious obstacles to peace, development and the attainment of the MDGs. Progress requires an approach that links security, political and development actors. That is why the g7+ nations have been promoting the New Deal and its peacebuilding and state-building goals, which address economic foundations along with revenues, services and security, to ensure that development is country-owned and country-led. Underpinning all that is the need for strong institutions, governance and capacity to ensure accountable and fair social-service delivery. As our Prime Minister stated at the General Assembly last September, we are not fragile because we are poor; we are fragile because we have weak institutions.

A critical aspect in moving beyond conflict and in building strong, resilient, effective and efficient institutions is the need for strong partnerships, specifically partnerships built on mutual trust, with respect for national ownership. That is why Timor-Leste is pleased to co-chair with Denmark the International Dialogue on Peacebuilding and State-building. The Dialogue brings together fragile and conflict-affected countries and international partners and exemplifies the importance of sharing knowledge and experience.

National ownership and the building of resilience require concerted efforts, and effective and transparent resource management can contribute greatly to both. The g7+ advocates efforts to manage risks, increase the

use of country systems and support for the building of national capacities. Those can all add to the long-term process of peacebuilding and state-building and assist in breaking the cycles of conflict and build resilience.

The President: I would like to again remind all speakers to limit their statements to no more than four minutes in order to enable the Council to carry out its work expeditiously. Delegations with lengthy statements are kindly requested to circulate the text in writing and to deliver a condensed version while speaking in the Chamber.

I now give the floor to the representative of Gabon.

Mr. Moungara Moussotsi (Gabon) (*spoke in French*): Allow me to begin by joining the delegations that have preceded me in resolutely condemning the heinous terrorist attack that took place at the United Nation compound in Mogadishu and to express Gabon's condolences to the bereaved families of the victims.

I would also like to thank the Deputy Secretary-General, Mr. Kofi Annan, Ms. Caroline Anstey and Ms. Rebeca Grynspan for their informative briefings. I would also like to thank the President of the Security Council for organizing this debate and for the work he does in leading the Council. I also appreciate the work of Ambassador Kodjo Menan and the entire Togolese delegation during the month of May.

For several years now, natural resources have played a leading role and are at the heart of developments in Africa. In particular, while they should contribute to the development of the countries in which they are found and the well-being of the country's people, natural resources, including animals and plants, have become a source of conflict and disasters, to the point that we now speak of the curse of natural resources. While natural resources are not the direct cause of conflict, they constitute an aggravating factor and, by consequence, prolong conflicts and make efforts for peace difficult. Without a doubt, in addition to insecurity and violations of human rights, which conflicts tied to natural resources can lead to, the State's loss in revenue when it is subjected to such anarchical use of those natural resources is enormous. It often exacerbates poverty and contributes to unemployment. The tragedies in Angola, Sierra Leone, Liberia and the Democratic Republic of the Congo are striking examples of that.

International as well as regional initiatives by countries affected by the illegal exploitation of natural resources are certainly not lacking. Given the direct link between the legal trade in rough diamonds and the funding of armed conflicts, the international community, at the initiative of Canada and under the auspices of the United Nations, has implemented a system for diamond certification so as to halt international trafficking in that resource to benefit of wars. Launched in 2003, the Kimberley Process has the merit of being practical while seeking to protect the economies of numerous countries where the national revenue depends essentially upon the diamond industry. More widespread accession to the initiative is necessary to ensure its universality and better control of the diamond trade.

Gabon also equally supports the African strategic vision for dealing with the matter of mines. The six tools implemented by the Great Lake region countries include the Extractive Industries Transparency Initiative, which merits our support. Better monitoring of the application of targeted sanctions imposed by the Security Council against the perpetrators of war, or those profiting from such wars, should be accompanied with weapons embargoes applied in areas impacted by the illicit trade of natural resources. Such sanctions proved effective in Angola, Sierra Leone and Liberia, as have the investigations under way in the Democratic Republic of Congo and Liberia.

The countries, companies and industrial sectors profiting from the illicit trade in natural resources must impose more stringent norms and standards. The international community must help countries in need to improve nationwide governance and assist in security sector reform, as well as in establishing legal norms, including a mining code. Domestically, States should promote good governance, in particular by ensuring fair, transparent and sustainable management of natural resources, and by reinforcing institutional capacities so that such frameworks are effective.

The Security Council must also include and enhance technical support to natural resource management in peacekeeping and peacebuilding mandates. This could help to prevent natural resources from being a contributory factor to instability and conflicts and maximize them as peacebuilding tools. Gabon supports a new path for peacekeeping missions that would take climate change and shrinking natural resources into account.

My delegation hopes that this debate will bring added value to existing initiatives to reduce the risks of conflict, insecurity and instability arising from the fight over natural resources. Gabon will continue to support such initiatives. In that regard, my country, together with Belgium, will be submit a draft resolution in the framework of the informal working group known as the Friends of Natural Resources. The document seeks, inter alia, to improve the responsibility of States in managing their natural resources so as to ensure that they contribute fully to their own growth and development. I hope that the document will enjoy broad support.

The President: I now give the floor to the representative of India.

Mr. Manjeev Singh Puri (India): My delegation thanks you, Sir, for convening today's open debate. I would also like to thank your delegation for preparing a concept paper on the topic under discussion (S/2013/334, annex). I would also like to take this opportunity to thank the Deputy Secretary-General for his statement earlier in the day.

The intrinsic link between the effective management of natural resources and development is a time-tested reality. Conflict holds back development. It is a fact that, in several countries on the agenda of the Security Council, including those in Africa, problems of control over natural resources and their exploitation are serious exacerbating factors fanning conflict, and also remain a major impediment to post-conflict nation-building.

If one looks into the history of these conflicts, both the control and exploitation of natural resources have been driven largely by factors outside the control of the affected countries. External interference with the aim of controlling and exploiting natural resources, when combined with political objectives and ethnic rivalries, has been a particularly combustive mix for conflicts. As a result, several countries in Africa have remained mired in conflicts for decades. It is therefore necessary to tackle the issue holistically.

It is imperative that we fully respect the sovereignty, independence and territorial integrity of all United Nations Member States, including when the Council considers situations on its agenda. The international community, including the Council, must respect States' right to control and manage their affairs, including natural resources. No attempt should be made to be prescriptive about the control, management and use of natural resources by the States concerned.

Even while some countries in Africa are involved in conflicts related to natural resources, we note that the continent has been the second fastest growing region in the world in the past decade. From 2000 to 2010, six of the 10 fastest growing economies were in Africa. Africa's collective gross domestic product is expected to grow to $2.6 trillion by 2025. Clearly, with greater assistance from the international community, conflict-affected countries in Africa can achieve faster progress.

In that regard, it is important for the international community, particularly the United Nations, to play a seminal role in capacity-building of the Member States concerned. Conflict-affected countries do need assistance to fulfil their international commitments and strengthen their internal institutions, including those dealing with security and border control. The role of the international community, including the relevant United Nations agencies, should include enhancing development partnerships with countries in conflict situations. This should include higher allocations of financial, technical and human resources by donors and United Nations agencies, and coincide with the national priorities of the countries concerned.

We commend the efforts and commitment of the relevant United Nations agencies in developing the capacities of countries in conflict and post-conflict situations. We hope that their commitment to national capacity-building, including in the control and management of natural resources, will be matched by adequate resources and that support will be provided based on the requests of national Governments and on mutual agreement.

Before I conclude, let me state that a concerted push has been made to include several normative issues into the Council's agenda under the pretext that they affect international peace and security. Such a move should be avoided to ensure the effective functioning of the United Nations system. The Charter provides clear a division of responsibilities between the General Assembly, the Security Council, the Economic and Social Council and other specialized bodies created by the Member States. All United Nations bodies, including this Council, must respect this division of roles and responsibilities.

The President: I now give the floor to the representative of Sudan.

Mr. Hassan (Sudan) (*spoke in Arabic*): At the outset, I would like express our condolences to the peacekeepers in Mogadishu and to the families of the victims of the wanton attack that took place there today.

My delegation congratulates the United Kingdom on its assumption of the presidency of the Council for this month and for its concept paper on conflict-prevention and the effective, transparent management of natural resources in conflict-affected States (S/2013/334, annex).

Natural resources such as water, oil, natural gas and minerals can be causes of conflict if not managed wisely and in a manner that avoids rivalries and competition that lead to conflict. The first presidential statement (S/PRST/2007/22) on the relationship between natural resources and conflicts, particularly the assistance provided by the United Nations through its peacekeeping operations or field offices, clearly affirmed that this should be done at the request of the States concerned while fully respecting their sovereignty and their strategic policies for managing natural resources.

I have mentioned before that conflicts may arise over grazing rights and water sources. A case in point is the Darfur conflict. Waves of extreme drought and desertification in Africa in the 1980s led to a scarcity of natural resources and to further conflicts and rivalries among different tribes in Darfur. These conflicts acquired political dimensions as they deteriorated. In some areas, such as Darfur, for example, conflict erupted over gold-mining rights — a development we do not wish to see recur in the region. The Government of the Sudan has therefore set out strategies and established laws to govern mining activities in a manner that avoids conflict between the various tribes in those areas.

In conclusion, we would like to endorse the concept paper's emphasis on the need for sound and transparent management of natural resources. I stress the important role of the United Nations in this field, in particular in providing neutral and honest advice to national Governments at their request. We also reiterate the importance of supporting the efforts of national Governments to establish peace and stability as the core foundation on which all national institutions can manage natural resources in the most effective way.

We look forward to the Council's support for the efforts to achieve peace and stability in the Sudan by sending a strong message to the rebel groups under the banner of the so-called Sudan Revolutionary Front, which are seeking to topple the Sudanese Government and have committed several military assaults against cities and villages in Northern and Southern Kordofan, as well as against the United Nations Interim Security Force for Abyei, killing one peacekeeper and wounding two others. Those rebel movement would not have dared commit such flagrant crimes had the Security Council dealt with them more firmly. They would not have dared to continue such attacks. The time has therefore come for the Council to take effective punitive measures against those movements that target infrastructure, resources and development efforts in the country.

The President: I now give the floor to the representative of Eritrea.

Mr. Desta (Eritrea): I would like to thank the delegation of the United Kingdom for organizing this open thematic debate on the prevention of conflicts and natural resources. I would also like to commend today's briefers for their informative introductory remarks.

Today's attack against the United Nations compound in Mogadishu was appalling. My delegation wishes to extend its deep condolences to the victims and their families and expresses its solidarity with the people and Government of Somalia.

My delegation views endowments in natural resources as an asset to lift millions of people out of poverty. However, fierce and aggressive competition over access, illegal exploitation and mismanagement of natural resources are among the most important factors that are linked to several situations of civil strife in African States, both causing and perpetuating conflicts. Ensuring good governance in the control, management and trade of natural resources and equitable access to natural resources is therefore imperative in ensuring the inclusive economic and social well-being of all the people in a given country. That would in itself be critical to maintaining and creating a cohesive and harmonious society.

It is equally important to underscore the negative impact of exploitative interference by external Powers and transnational companies, which undermine the sovereign rights of many Member States over the use and management of their natural resources. More often than not, this has become a recipe for international conflicts, with grave consequences for international peace and security.

While we agree with some of the remarks regarding intra-State conflicts, including measures to prevent the illicit exploitation of natural resources by non-State actors, I would like to stress the following. First, States have the primary responsibility to develop and exploit their natural resources for the benefit of their respective societies. This is an inalienable right and is also unambiguously reflected in the landmark General Assembly resolution 1803 (XXVII) of 1962.

Secondly, in recent years, the Security Council has acted on several occasions to curb the negative consequences of the illicit trade in natural resources by targeting non-State actors. It must, however, be stressed that, when such actions are taken, it is important for there to be full consent of the State concerned. More importantly, no resolution of the Council should undermine a State's right to exploit its natural resources or be used as a tool for political pressure. In that connection, it is important to underscore that United Nations organs dealing with social and economic development are best suited to discuss the issue of international cooperation on natural resources.

As a country that has emerged from the ashes of war and is endowed with natural resources, Eritrea has recently reached a stage where it is able to develop and exploit its mineral resources in close cooperation with its international partners. In Eritrea, all mineral resources are designated as public property and the conservation and development of such resources must be ensured for Eritrea's present and future generations.

Let me conclude by stressing that Eritrea is of the view that natural resources should promote cooperation, not conflicts. We are firmly convinced that pursuing policies for the sustainable use of resources with the aim of creating a win-win solution is critical within and between countries and corporations.

The President: I now give the floor to the representative of Ecuador.

Mr. Lasso Mendoza (Ecuador) (*spoke in Spanish*): Like almost all other speakers, I would like to begin by expressing our condemnation of the attack on the United Nations facilities in Mogadishu, our solidarity with the families of the victims whose lives it claimed, and our certainty that the attack will not deter the efforts of the United Nations and African Union to support Somalia on its path to stability and development.

My delegation welcomes the opportunity to set out its position on this topic because, for Ecuador, it is important to discuss different approaches to and visions of conflict prevention and natural resources. I must, however, reiterate my country's steadfast rejection of ongoing attempts to bring matters linked to development and all that it entails, including the responsible and sustainable use of natural resources, into the field of security and thus under the jurisdiction of the Council, because we believe that the appropriate forums in which to address such topics of universal interest are the General Assembly and Economic and Social Council.

The Constitution of Ecuador establishes the right to a decent life, towards which the use and responsible management of natural resources is oriented, respecting their limits and vital cycles. This mandate is reflected in the National Plan for Good Living, which seeks to achieve the sustainable and comprehensive development of the human being.

In this regard, Ecuador emphasizes the following points, which we believe should guide this debate: respect for the principles enshrined in the Charter of the United Nations, especially those of the sovereignty and territorial integrity of States and of non-intervention; and people-centred objectives to promote human and economic and social rights and sustainable development. Such objectives do not restrict or limit the leading role of the State on its national territory; to the contrary, they strengthen it.

On the basis of those principles, my delegation believes that it is important to bear in mind two cross-cutting aspects of the prevention of conflicts linked to natural resources. There is a common but differentiated global responsibility, given that the wealthy countries are the largest polluters, whereas the countries of the South possess the greatest natural heritage and supply society with environmental resources to the benefit of all humankind.

The redistribution of global income in an effort to achieve equitable sharing of global wealth would help to prevent conflicts over natural resources, including ongoing conflicts and those that have occurred in the past in various regions worldwide. In that sense, we believe that unrestrained economic growth is impossible; therefore, this unbridled trend must be limited by authentic paths to sustainability.

The gross injustice manifested by the current international economic system does not guarantee equitable access to natural resources; it generates high levels of underdevelopment and social exclusion in many regions. Clearly, such injustice lies at the root of the violence that continues to overwhelm many societies.

Finally, my delegation cannot fail to recall the many victims of armed conflict caused by the unbridled ambition of certain countries seeking access to the natural resources of other sovereign States. Those conflicts are even more painful when they occur under the cover of humanitarian intervention. Our efforts should seek to guarantee the access of all humankind to the resources necessary for life and development, within the framework of respect for the rights of nature.

The President: I now give the floor to the representative of Egypt.

Mr. Ahmadein Khalil (Egypt) (*spoke in Arabic*): Allow me to begin by expressing my delegation's condemnation of and sadness about the attack against the United Nations office in Somalia. We offer the condolences of the people and the Government of Egypt to the United Nations and to the people and Government of Somalia.

(*spoke in English*)

I would like to express our appreciation to the United Kingdom presidency of the Security Council for organizing today's debate on conflict prevention and natural resources, a subject of great interest to all Members of the United Nations, particularly countries in conflict and post-conflict situations, including in Africa.

I would like also to thank, through you, Sir, Mr. Jan Eliasson, Deputy Secretary-General, the representative of the World Bank, Mr. Kofi Annan and Ms. Grynspan for their valuable participation and introductory statements.

Our debate today raises a very serious question on how to ensure that non-renewable natural resources are a means for growth and development rather than a source of instability and conflict. Conflicts are the product of multiple and complex factors. However, many conflict situations are linked to competition over natural resources. Countries in post-conflict situations are doing their best to develop efficient and accountable national structures and to build national capacity to manage their natural resources. Those efforts should be fully supported by the international community, including through technical and financial assistance when needed.

The international community's response to the question of cutting the link between natural resources and armed conflict, particularly through initiatives such as the Kimberley Process and the Extractive Industries Transparency Initiative, reflects the importance of curbing the illegal exploitation of natural resources in order to support efforts to achieve peace, stability and sustainable development. As a member of the Group of Friends of Natural Resources, Egypt lends its unequivocal support to those initiatives and their goals.

The United Nations is contributing to those efforts through its conflict prevention, peacekeeping and peacebuilding efforts. Supporting national capacity-building in the management of natural resources is becoming an integral part of the mandate of peacekeeping operations. The efforts of the Peacebuilding Commission to ensure that extractive industries located in countries in post-conflict situations contribute to stability and socioeconomic development cannot be over emphasized.

Our efforts to ensure that extractive industries in countries in post-conflict situations contribute to stability and socioeconomic development cannot enjoy full success without the collaboration of all stakeholders, including the international financial institutions and the private sector. The *World Development Report 2011* — "Conflict, security and development", prepared by the World Bank Group, emphasized that building capable and legitimate institutions is the key to breaking the cycle of violence and avoiding a relapse into conflict in fragile and conflict-affected countries. Egypt also commends, in that regard, the African Mining Vision 2050, adopted by the African Union in 2008, as well as the Protocol against the Illegal Exploitation of Natural Resources in the Great Lakes Region.

Finally, Egypt underlines the importance of regional approaches to address the exploitation of shared natural resources in order to transform these resources into a force for regional peace and mutual cooperation.

The President: I now give the floor to the representative of Papua New Guinea.

Mr. Aisi (Papua New Guinea): In July 2008, the Council wound up its successful mandate on the

oversight and resolution of the bloody civil conflict on the island of Bougainville in Papua New Guinea. Initiated by the good offices of then Secretary-General Kofi Annan — one of today's speakers — the decade-long mandate enabled the resolution of the conflict, which in its essence resulted from disagreements related to the massive Bougainville copper mine, which at the time was the largest open cut mine in world, after the Escondida copper mine in Chile. At its operational peak and prior to the start of the conflict in 1989, the Bougainville mine contributed about 20 per cent of Papua New Guinea's national budget.

Since the conclusion of the Security Council mandate in 2005, the Autonomous Region of Bougainville has been created under the Bougainville Peace Agreement, along with several elections for the Autonomous Government led by a President. In real terms, Bougainville's post-conflict peacebuilding continues as a work in progress, with numerous milestones and institutional strengthening still to be achieved. The Papua New Guinea Government continues to be involved at the highest levels throughout this critical phase as we jointly continue the peacebuilding process. I emphasize the word "jointly" here because it is the operative word.

As a nation on the cusp of enormous economic growth, underpinned by the past decade of positive sustained economic growth of over 5 per cent per annum, the Papua New Guinea Government continues to plan and engage in many different ways to ensure that the wealth that will flow from the massive multi-billion dollar LNG project, funded by Exxon, alongside other mining and multinational corporations and other natural resources ventures, will benefit all of the people of Papua New Guinea.

In light of its infrastructure and its attempts to deal with social inequities, our Government is determined to ensure that the distribution of wealth throughout the country is balanced and effective. As noted in our country's statement made at the opening of the session of the General Assembly in September 2012 (see A/67/PV.18), the Government proposed to share its wealth with other Pacific countries, and that is already happening in a very small way.

The Papua New Guinea Government is aware of the huge responsibility emanating from the great opportunity that has emerged from the exploitation of our vast natural resources, including copper, gold and other base metals, along with gas and petroleum. Our unique land tenure system lends itself to creating a picture that anywhere else would be tantamount to distraught confusion. With a population of just over 7 million people, our diversity, based on more than 800 languages and tribes, provides an elaborate mosaic from which to address our massive wealth in natural resources, which also include our marine resources, of which many are jointly shared with our Pacific island neighbours.

The question of whether we have learned any lessons from the Bougainville conflict, along with the reasons as to why that conflict arose, remains seared in our collective minds, and provides an important yardstick by which we as a nation must properly address the exploitation of our natural resources.

The bedrock of all natural resource exploitation in Papua New Guinea is underpinned by specific prerequisites, framed through legally sanctioned and compulsory natural resource development forums, whereby the Papua New Guinea Government must consult all landowners and groups within the resource areas, often including those on the periphery, in order to obtain their approval for developing those resources. What seems — and is — a very cumbersome process works because our Constitution guarantees traditional ownership of land by our peoples, wherever they come from in Papua New Guinea. That is a sacrosanct part of our nationhood's ethos and continues to serve us well, notwithstanding the conflict on Bougainville.

Finally, working with development partners, along with our participation in the recent Extractive Industries Transparency Initiative Conference in Sydney and recently in the United Nations Office for South-South Cooperation Energy Initiative, has, in our view, allowed Papua New Guinea to participate meaningfully in many of the processes that have been described by other delegations in this debate today.

The President: I now give the floor to the representative of Japan.

Ms. Okai (Japan): At the outset, let me say that Japan also strongly condemns the violent attack on the United Nations compound in Mogadishu today, and expresses its heartfelt condolences to the families of the victims.

I would like to thank the presidency of the United Kingdom for its timely initiative today.

If managed correctly, natural resources can serve as a growth engine by increasing investment, State revenue and employment opportunities. However, weak management of such resources, particularly if it permits the illegal exploitation and trading of extractive resources, may trigger and perpetuate conflicts. The international community must therefore engage with the issue in a coherent and coordinated manner so as to build the management capacity of resource-rich countries that are affected by conflict.

Japan, as Chair of the Working Group on Lessons Learned of the Peacebuilding Commission (PBC), has addressed this topic. The meeting of the Working Group on 8 July 2011 devoted to economic revitalization and youth employment for peacebuilding generated some useful lessons on natural-resource management that I wish to share with the Council today.

First, resource management is handled by multiple actors and has multiple aspects, including sanctions, peace negotiations, law enforcement, regulatory and transparency regimes and human rights and environmental concerns. The international community must do more in order to respond to the problem in a coordinated fashion. In that regard, the PBC is capable of taking the initiative in the area of peacebuilding and helping to bring together all stakeholders in order to develop a coherent approach. For example, it could facilitate the integration of natural resource issues into peacebuilding strategies, as well as in the context of security and justice sector reforms.

Secondly, post-conflict populations should be able to benefit from the peace dividends derived from resources extracted from their own soil. Efforts aimed at conflict prevention and effective resource management should always include that perspective. Helping industries to diversify can also serve this purpose. We intend to explore that theme further in the meeting of the Working Group on Lessons Learned scheduled for 10 July. As part of our discussion of domestic-resource mobilization, we intend to shed light on the important links between revenue raised and actual service delivery on the ground and the impact that can have on helping to avoid the recurrence of conflict.

Third, voluntary initiatives such as the Extractive Industry Transparency Initiative (EITI) and the Kimberly Process certification scheme are vital. Compliance with them can help to enhance the governance of resource-rich countries and the corporate values of the private sector. In addition, the Working Group meeting highlighted the role of civil society and the Internet in improving transparency.

Japan has also contributed to improving management of natural resources in its national capacity. First, considering that improving the effectiveness of sanctions regimes is critical to restricting the flow of illicit resources, the Japanese Permanent Mission has been co-hosting a series of round tables aimed at enhancing understanding of such regimes and strengthening non-proliferation efforts. Secondly, Japan has been supporting the improvement of people's livelihoods and welfare in conflict-affected mining areas, including through a project for peace consolidation in North Kivu, in the eastern region of the Democratic Republic of the Congo, based on the concept of human security. A fair and balanced distribution of peace dividends in conflict-torn areas can enhance national reconciliation efforts.

Thirdly, Japan has supported the expansion of various international initiatives such as the Organization for Economic Cooperation and Development's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the EITI, through contributions to the latter's multi-donor trust fund. A wider acceptance of such initiatives is needed in order for them to take genuine effect.

Lastly, the stated aim of the outcome document of the Fifth Tokyo International Conference on African Development is to promote the sustainable management of all Africa's natural resources and conservation of its biodiversity. Japan is committed to promoting sustainable and resilient growth in Africa while helping to maintain peace and stability.

In closing, I would like to emphasize Japan's strong interest in this topic. We will continue to remain engaged bilaterally as well as through different multilateral forums.

The President: There are no more names inscribed on the list of speakers. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 4.55 p.m.